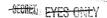
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21 August 1962

MEMORANDUM FOR THE FILE

Discussion in Secretary Rusk's office at 12 o'clock, 21 August 1962

In attendance: Secretary Rusk, Secretary McNamara, Alexis Johnson, the Attorney General, DCI, General Taylor, General Lemnitzer

and McGeorge Bundy

Subject: Cuba

McCone stated that the purpose of the meeting was to again review the situation in Cuba in light of the most recent intelligence findings.

DCI recalled that in the August 10th Meeting he had reported such information as was then available on the accelerated Soviet supply of personnel and materiel to Cuba. However, information available to the Agency since August 10th indicated that the extent of the Soviet supply operations was much greater than had been reported on August 10th; furthermore, there were indications that construction work was undertaken by Soviet personnel, technicians with newly delivered Soviet equipment and while the nature of the construction was not known, it was probably either highly sophisticated electronic installations or COMINT and ELINT and possible electro-counter measure efforts or missile sites, probably ground-to-air.

DCI then stated that on August 10th in discussing the arguments for and against the so-called stepped up Plan B, or alternatively the modified Plan B, he had stated that if it was decided to accept the modified Plan B and such a course is pursued, it is the opinion of the DCI that continuing Soviet aid and technical assistance will present the United States with a more formidable problem in the future than it now confronts or has confronted in the past, McCone then stated that conclusive evidence indicated such a stepped-up Soviet effort.

DCI then read 21 August paper entitled, "Recent Soviet Military Aid to Cuba" as prepared by DD/L. He then referred to 21 August paper of the office of National Estimates, subject, "Soviet View of the Cuban Economy" emphasizing the conclusion that under energite Soviet direction, the potential of the Cuban agricultural, industrial and natural resources could be so developed that the economy would be reasonably viable and over a decade might even earn sufficiently from export surphises to repay credits and advances already made to Cuba by the Soviet Union. Therefore, the CIA's conclusion that Soviet economists in analyzing Cuba



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would conclude that in supporting Cuba the Soviets were not involving themselves with a permanent liability; furthermore, there was an opportunity for creating a viable and reasonably prosperous economy which, while not a showcase, would always be an annoyance to the United States and a model for all dissident groups in Latin America.

DCI then referred to the 15th August paper of the Board of National Estimates, subject, "The Soviet Stake in Cuba" and read the summary of this paper which is in numbered paragraph 7, page 3.

In support of the above DCI then briefly reviewed a chronology of unevaluated reports on recent Soviet military aid to Cuba, 21 August, and noted my reference to maps; location of the reported activities.

There was general agreement that the situation was critical and that the most dynamic action was indicated.

There was discussion of various courses of action open to us in case the Soviets place MRBM missiles on Cuban territory. There was also case the Soviets place MRBM missiles on Cuban territory and a course of Soviet and Bloc shipping into Cuba or alternatively discussion of blockades of Soviet and Bloc shipping into Cuba or alternatively discussion of blockades of Cuba.

Throughout these discussions, it was abundantly clear that in the minds of State, and Mr. Bundy, speaking for the White House, there is a very definite inter-relationship between Cuba and other trouble spots, such as Berlin It was felt that a blockade of Cuba would automatically bring about a Berlin It was felt that a blockade of Cuba would automatically other ablockade of Berlin; that drastic action on a missile site or action by the Soviets with respect to our bases and numerous missile sites, action by the Soviets with respect to our bases and numerous missile sites, action by the Soviets with respect to our bases and numerous missile sites, articularly Turke as outhern Italy. Also, there is a reluctance, as particularly Turke of the southern Italy. Also, there is a reluctance, as previously, to the commitment of military forces because of the task previously.

McNamara expressed strong feelings that we should take every possible aggressive action in the fields of intelligence, sabotage and guerrilla warfare, utilizing Cubans and do such other things as might be indicated to divide the Castro regime. McCone pointed out that all of these indicated to divide the Castro regime, which agent teams had been disappointing things could be done. Efforts to date with agent teams had been disappointing. Sabotage activities were planned on a priority basis and in all probability, we would witness more failures than successes. To date we had expersioned a very tight internal security situation and probably this would become more so in the future.

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The Attorney General queried the meeting as to what other aggressive steps could be taken, questioning the feasibility of provoking an action against Guantanamo which would permit us to retaliate, or involving a third country in some way.

It was Mr. Bundy's opinion that all overt actions would involve serious consequences throughout the world and therefore our operations must be covert at this time, although we should expect a high degree of attribution.

The meeting was inconclusive with respect to any particular course of action. It was felt that the President should be informed on the evolving situation and the DCI agreed to brief him at the Meeting on Wednesday, August 27ad at 6 o'clock.

We further agreed that the entire matter should be reviewed with the Fresident by Rusk, McNamara, Bundy and McCone. Mr. Bundy undertook to arrange for this meeting following the Special Meeting scheduled for ten o'clock on Thursday, August 23rd.

Following this discussion, there was a brief discussion of the Donovan matter as covered in DCI's memorandum to Rusk and the Attorney General, copy of which is attached. It was agreed that Mr. Hurwitz would meet with Mr. Donovan on Thursday, together with the Attorney General, and determine the extent of the commitment we would make for the government which would permit Mr. Donovan to engage in the prisoner release negotiations. DCI made it abundantly clear that the existing commitments to Committees of the Congress prevented CIA from using covert resources for this purpose.

McCone stated that in view of these commitments to the Congress ed id not feel that he should meet with Mr. Donovan. Furthermore, that McCone stated that he felt that if a reasonable deal could be made for the release of the prisoners, the Committees of Congress would change the view expressed a year ago at the time of the tractor negotiation.

John A. McCone

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